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16 March 1955

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT: NIE 100-4-55: Communist Capabilities and Intentions with Respect to the Offshore Islands, the Pescadores, and Taiwan through 1955, and Communist and Non-Communist Reactions with Respect to the Defense of Taiwan

Background

- 1. Production of this estimate was included in the program of estimates approved by the IAC on 13 January 1955 (IAC-D-1/10, Item 21). The estimate at this time was scheduled to be completed in the second quarter of 1955, in the form of an examination of Chinese Communist capabilities and courses of action with respect to Taiwan (revising NIE 27/1: "Chinese Communist Capabilities and Intentions with Respect to Taiwan," 1 April 1952).
- 2. However, IAC action of 25 January 1955 concerning SNIE 100-3-55: "Reactions to Certain Possible US Courses of Action with Respect to the Islands Off the Coast of China," established that a new paper on the same subject as SNIE 100-3-55 should be produced reappraising the situation in the light of reactions to US Presidential and Congressional actions (IAC-M-182, Item 2). Accordingly, the scope of the present estimate, NIE 100-4-55, was expanded to include the offshore islands as well, and its scheduling was moved up to urgent production in the first quarter of 1955.

<u>Substance</u>

3. Major substantive differences, consistent with previously expressed departmental positions on similar estimates on the area, are reflected in numerous footnotes and reservations. The general positions of the Joint Staff and G-2 constitute in a sense the two opposite poles within which the estimate is written. The Joint Staff believes that the text understates the degree of Chinese Communist respect for US power; G-2, that it overstates. The Joint



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Staff believes that the text overstates the degree of probability that the Communists might respond with nuclear weapons in the Far East to prior US use of these weapons against them; G-2, that the text understates. The Joint Staff dissents in several instances from the text's discussion of non-Communist reactions, believing that US military action against the Communists would in general find a kinder reception in the non-Communist world than that described by the text. Though State, Navy, and Air Force all take footnotes here and there, their positions seem ambivalent, reflecting no basic attitudes such as those of G-2 and the Joint Staff.

- 4. The paper is unique in that it attempts to analyze in greater depth than any previous NIE on the area, non-Communist reactions to the US use of nuclear weapons.
- 5. The process of coordinating this paper has been long and difficult. This has been due to the great complexities surrounding this particular estimative problem. These complexities of this most important NIE were examined with great care and good spirit by all; we feel the agencies should accordingly be congratulated despite the omnipresent footnotes.

FOR THE BOARD OF NATIONAL ESTIMATES:

SHERMAN KENT Assistant Director National Estimates

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